



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-865]

Certain Hot-Rolled Carbon Steel Flat Products from the People's Republic of China:
Preliminary Results of Antidumping Duty Administrative Review; 2016-2017

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) is conducting an administrative review of the antidumping duty order on certain hot-rolled carbon steel flat products (hot-rolled steel) from the People's Republic of China (China), covering the period of review (POR) November 1, 2016, through October 31, 2017, and finds preliminarily that Baosteel Group Corporation, Shanghai Baosteel International Economic & Trading Co., Ltd., Baoshan Iron and Steel Co., Ltd., Shanghai Meishan Iron & Steel, and Union Steel China have not demonstrated that they are separate from the China-wide entity. Interested parties are invited to comment on these preliminary results.

DATES: Applicable [INSERT DATE PUBLISHED IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Benito Ballesteros, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington D.C. 20230; telephone (202) 482-7425.

SUPPLEMENTARY INFORMATION

Background

Commerce is conducting an administrative review of the antidumping duty order on hot-rolled steel from China pursuant to section 751(a)(1) of the Tariff Act of 1930, as amended

(Act). On November 29, 2001, the Department published in the *Federal Register* an antidumping duty order on hot-rolled steel from China.¹ On November 30, 2017, Nucor Corporation (Nucor) submitted a request for an administrative review of Baosteel², Shanghai Meishan Iron & Steel, and Union Steel China.³ On January 11, 2018, pursuant to the request from Nucor, Commerce published a notice of initiation of an administrative review of the antidumping duty order on hot-rolled steel from China covering the period November 1, 2016, to October 31, 2017, for Baosteel, Shanghai Meishan Iron & Steel, and Union Steel China.⁴

Scope of the Order

The products covered by the order are certain hot-rolled carbon steel flat products of a rectangular shape, of a width of 0.5 inch or greater, neither clad, plated, nor coated with metal and whether or not painted, varnished, or coated with plastics or other non-metallic substances, in coils (whether or not in successively superimposed layers), regardless of thickness, and in straight lengths of a thickness of less than 4.75 mm and of a width measuring at least 10 times the thickness. Universal mill plate (*i.e.*, flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm, but not exceeding 1,250 mm, and of a thickness of not less than 4.0 mm, not in coils and without patterns in relief) of a thickness not less than 4.0 mm is not included within the scope of the order.

¹ See *Notice of Antidumping Duty Order: Certain Hot-Rolled Carbon Steel Flat Products from the People's Republic of China*, 66 FR 59561 (November 29, 2001).

² Because no party is challenging the prior collapsing determination, we continue to collapse Baosteel Group Corporation, Shanghai Baosteel International Economic & Trading Co., Ltd., and Baoshan Iron and Steel Co., Ltd. (collectively, Baosteel). See *Certain Hot-Rolled Carbon Steel Flat Products from the People's Republic of China: Final No Shipments Determination of Antidumping Duty Administrative Review; 2012–2013*, 79 FR 67415 (November 13, 2014).

³ See *Certain Hot-Rolled Carbon Steel Flat Products from the People's Republic of China: Request for Administrative Review*, dated November 30, 2017.

⁴ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 83 FR 1329 (January 11, 2018) (*Initiation Notice*).

Specifically included within the scope of the order are vacuum degassed, fully stabilized (commonly referred to as interstitial-free (IF)) steels, high strength low alloy (HSLA) steels, and the substrate for motor lamination steels. IF steels are recognized as low carbon steels with micro-alloying levels of elements such as titanium or niobium (also commonly referred to as columbium), or both, added to stabilize carbon and nitrogen elements. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, vanadium, and molybdenum. The substrate for motor lamination steels contains micro-alloying levels of elements such as silicon and aluminum.

Steel products included in the scope of the order, regardless of definitions in the Harmonized Tariff Schedule of the United States (HTSUS), are products in which: i) iron predominates, by weight, over each of the other contained elements; ii) the carbon content is two percent or less, by weight; and, iii) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

- 1.80 percent of manganese, or
- 2.25 percent of silicon, or
- 1.00 percent of copper, or
- 0.50 percent of aluminum, or
- 1.25 percent of chromium, or
- 0.30 percent of cobalt, or
- 0.40 percent of lead, or
- 1.25 percent of nickel, or
- 0.30 percent of tungsten, or
- 0.10 percent of molybdenum, or
- 0.10 percent of niobium, or
- 0.15 percent of vanadium, or
- 0.15 percent of zirconium.

All products that meet the physical and chemical description provided above are within the scope of the order unless otherwise excluded. The following products, for example, are outside or specifically excluded from the scope of the order:

- Alloy hot-rolled steel products in which at least one of the chemical elements exceeds those listed above (including, *e.g.*, American Society for Testing and Materials (ASTM) specifications A543, A387, A514, A517, A506).
- Society of Automotive Engineers (SAE)/American Iron & Steel Institute (AISI) grades of series 2300 and higher.
- Ball bearing steels, as defined in the HTSUS.
- Tool steels, as defined in the HTSUS.
- Silico-manganese (as defined in the HTSUS) or silicon electrical steel with a silicon level exceeding 2.25 percent.
- ASTM specifications A710 and A736.
- USS abrasion-resistant steels (USS AR 400, USS AR 500).
- All products (proprietary or otherwise) based on an alloy ASTM specification (sample specifications: ASTM A506, A507).
- Non-rectangular shapes, not in coils, which are the result of having been processed by cutting or stamping and which have assumed the character of articles or products classified outside chapter 72 of the HTSUS.

The merchandise subject to the order is classified in the HTSUS at subheadings:

7208.10.15.00, 7208.10.30.00, 7208.10.60.00, 7208.25.30.00, 7208.25.60.00, 7208.26.00.30, 7208.26.00.60, 7208.27.00.30, 7208.27.00.60, 7208.36.00.30, 7208.36.00.60, 7208.37.00.30, 7208.37.00.60, 7208.38.00.15, 7208.38.00.30, 7208.38.00.90, 7208.39.00.15, 7208.39.00.30, 7208.39.00.90, 7208.40.60.30, 7208.40.60.60, 7208.53.00.00, 7208.54.00.00, 7208.90.00.00, 7211.14.00.90, 7211.19.15.00, 7211.19.20.00, 7211.19.30.00, 7211.19.45.00, 7211.19.60.00, 7211.19.75.30, 7211.19.75.60, and 7211.19.75.90.

Certain hot-rolled carbon steel flat products covered by the order, including: vacuum degassed fully stabilized; high strength low alloy; and the substrate for motor lamination steel may also enter under the following tariff numbers: 7225.11.00.00, 7225.19.00.00, 7225.30.30.50, 7225.30.70.00, 7225.40.70.00, 7225.99.00.90, 7226.11.10.00, 7226.11.90.30, 7226.11.90.60, 7226.19.10.00, 7226.19.90.00, 7226.91.50.00, 7226.91.70.00, 7226.91.80.00, and 7226.99.00.00. Subject merchandise may also enter under 7210.70.30.00, 7210.90.90.00, 7211.14.00.30, 7212.40.10.00, 7212.40.50.00, and 7212.50.00.00. Although the HTSUS

subheadings are provided for convenience and customs purposes, the written description of the merchandise subject to the order is dispositive.

Preliminary Results of Review

In the *Initiation Notice*, Commerce granted Baosteel, Shanghai Meishan Iron & Steel, and Union Steel China 30 days to submit a separate rate application or certification. Neither Baosteel, Shanghai Meishan Iron & Steel, nor Union Steel China submitted a separate rate application or certification, or a no shipments certification; therefore, we consider these companies to be part of the China-wide entity. Because no review was requested of the China-wide entity, the pre-existing China-wide rate of 90.83 percent will apply to entries of their subject merchandise into the United States during the POR.

Disclosure and Public Comment

Normally, Commerce discloses to interested parties the calculations performed in connection with the preliminary results of review within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of the notice of the preliminary results of review in the Federal Register, in accordance with 19 CFR 351.224(b). However, because Commerce preliminarily determined these companies to be part of the China-wide entity, in this administrative review, there are no calculations to disclose.

Pursuant to 19 CFR 351.309(c), interested parties may submit cases briefs no later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than five days after the date for filing case briefs.⁵ Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of

⁵ See 19 CFR 351.309(d).

authorities.⁶ Case and rebuttal briefs must be filed electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS).⁷

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS. An electronically filed document must be received successfully in its entirety in ACCESS, by 5 p.m. Eastern Standard Time within 30 days after the date of publication of this notice.⁸ Requests should contain: (1) the party's name, address and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs.

Commerce will issue the final results of this administrative review, including the results of its analysis of the issues raised in any written briefs, not later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results, Commerce will determine, and CBP shall assess, antidumping duties on all appropriate entries. Commerce intends to issue assessment instructions to CBP 15 days after the date of publication of the final results of review.

For any individually examined respondent whose weighted average dumping margin is above *de minimis* (i.e., 0.50 percent) in the final results of this review, Commerce will calculate importer-specific assessment rates on the basis of the ratio of the total amount of dumping calculated for the importer's examined sales to the total entered value of sales, in accordance

⁶ See 19 CFR 351.309(c)(2) and (d)(2).

⁷ See 19 CFR 351.303.

⁸ See 19 CFR 351.310(c).

with 19 CFR 351.212(b)(1). Where an importer- (or customer-) specific *ad valorem* rate is greater than *de minimis*, Commerce will instruct CBP to collect the appropriate duties at the time of liquidation.⁹ Where either a respondent's weighted average dumping margin is zero or *de minimis*, or an importer- (or customer-) specific *ad valorem* is zero or *de minimis*, Commerce will instruct CBP to liquidate appropriate entries without regard to antidumping duties.¹⁰

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise from China entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) for Baosteel, Shanghai Meishan Iron & Steel, and Union Steel China, which did not qualify for separate rate, the cash deposit rate will be China-wide rate of 90.83 percent; (2) for previously investigated or reviewed China and non-China exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; (3) for all China exporters of subject merchandise which have not been found to be entitled to a separate rate, the cash deposit rate will be China-wide rate of 90.83 percent; and (4) for all non-China exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to China exporter(s) that supplied that non-China exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

⁹ See 19 CFR 351.212(b)(1).

¹⁰ See 19 CFR 351.106(c)(2).

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Commerce is issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: June 25, 2018.

Christian Marsh,
Deputy Assistant Secretary
for Enforcement and Compliance.

[FR Doc. 2018-14179 Filed: 6/29/2018 8:45 am; Publication Date: 7/2/2018]